



Harry J. Hayes, Director



Sylvester Turner, Mayor



Department of Solid Waste Management FY2021 Zero Based Budget Workshop Presentation

April 29, 2020

Program Organizational Chart (in thousands)



General Fund
Solid Waste Management
Projected Budget \$88,976
FTEs: 432.8

Residential Collections	Heavy Trash Collections	Yard Waste Collections	Curbside Recycling	Env. Services/ Depositories
FY21 Budget \$9,775 FTEs: 105.41	FY21 Budget \$8,715 FTEs: 101.71	FY21 Budget \$5,593 FTEs: 73.08	FY21 Budget \$3,822 FTEs: 47.5	FY21 Budget \$3,168 FTEs: 39.4
Provides residential household garbage collection services.	Provides bulk waste collection services.	Provides collection services of grass clippings, leaves & small branches in City-approved compostable bags.	Provides single-stream curbside recycling services.	Drop-off sites for electronics, HHW, junk, tree & recycling materials.

Program Organizational Chart (in thousands)



General Fund
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Projected Budget \$88,976
FTEs: 432.8

Facility Maintenance	Refuse Disposal	Sponsorships	Office of the Director/Exe	Administrative Support
FY21 Budget \$1,883 FTEs: 18.4	FY21 Budget \$14,311 FTEs: 0	FY21 Budget \$3,527 FTEs: 0	FY21 Budget \$2,689 FTEs: 19.1	FY21 Budget \$35,493 FTEs: 28.2
Provides ground and maintenance services to department facilities.	Transfer station and landfill expenses for city waste disposal.	Reimbursement of garbage collection services to contracted homeowners' associations.	Provides Executive Management & oversight of department operations.	Provides administrative support functions to department operations to include finance, accounting, safety and permits (tires/dumpster).

General Fund Revenues Overview

(\$ in thousands)



Category	FY19 Actual	FY20 Projected Budget	FY20 Estimates	FY21 Projected	Variance FY21 Prop/FY20 Estimates	% Change
Licenses and Permits	\$ 3,358	\$ 3,322	\$ 3,183	\$ 3,182	\$ 1	0%
Charges For Services	\$ 2,325	\$ 2,240	\$ 2,362	\$ 7,678	\$ 5,316	69%
Miscellaneous/Other Fines & Forfeits	\$ 29	\$ 16	\$ 872	\$ 16	\$ (856)	(98%)
Total	\$ 5,712	\$ 5,578	\$ 6,417	\$ 10,876	\$ (841)	(13%)

Department Expenditures By Category (\$ in thousands)



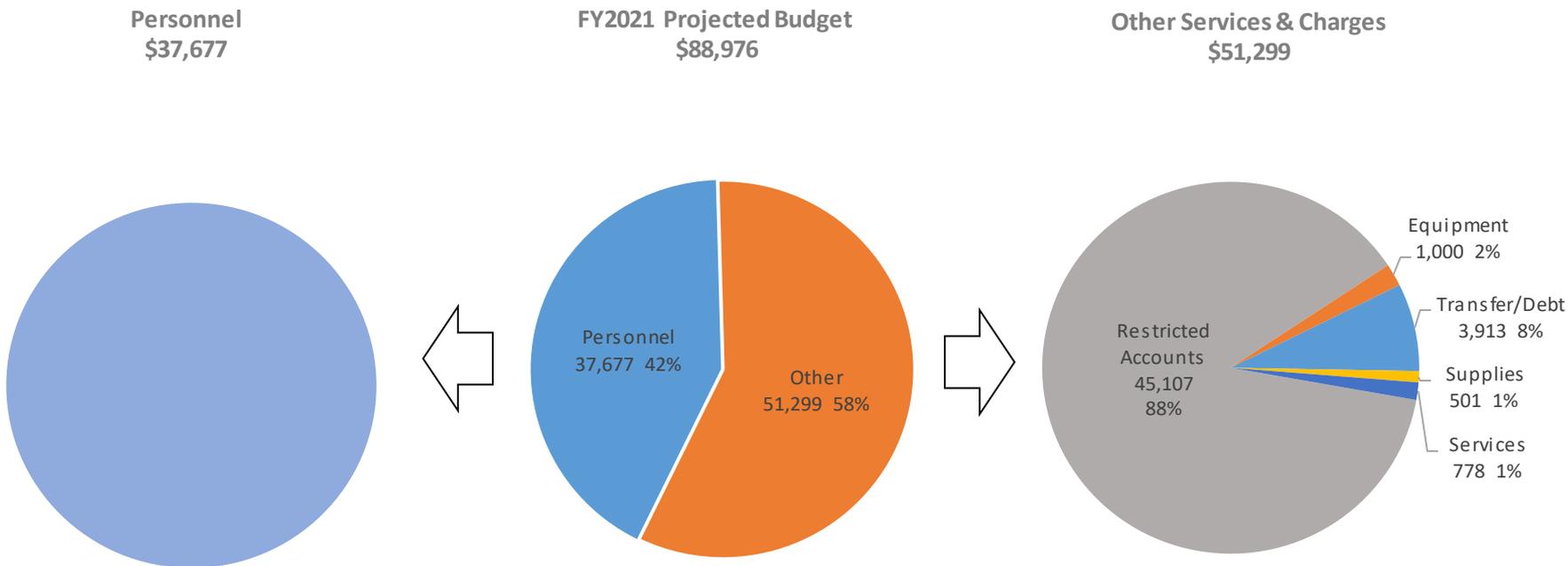
Category	FY19 Actual	FY20 Projected Current Budget	FY20 Estimates	FY21 Projected Budget	Variance FY21 Projected Budget/FY20 Projected Current Budget	% Change
Personnel	\$ 33,149	\$ 34,788	\$ 36,788	\$ 37,677	\$ 2,889	8%
Supplies	\$ 426	\$ 559	\$ 559	\$ 501	\$ (58)	(10%)
Restricted Accounts*	\$ 47,657	\$ 41,912	\$ 45,403	\$ 45,107	\$ 3,195	7%
Services (contracts)	\$ 1,626	\$ 1,918	\$ 4,614	\$ 778	\$ (1,140)	(59%)
Equipment	\$ 945	\$ 1,907	\$ 1,846	\$ 1,000	\$ (907)	(48%)
Transfers/Debt Payment	\$ 3,913	\$ 3,913	\$ 3,913	\$ 3,913	\$ 0	0%
Total	\$ 87,716	\$ 84,997	\$ 93,123	\$ 88,976	\$ 3,979	4%

*Restricted Accounts -Budget includes service chargeback accounts for items such fuel, electricity, IT accounts, etc.
See appendix for more details

FY2021 Personnel vs Non Personnel



(\$in thousands)



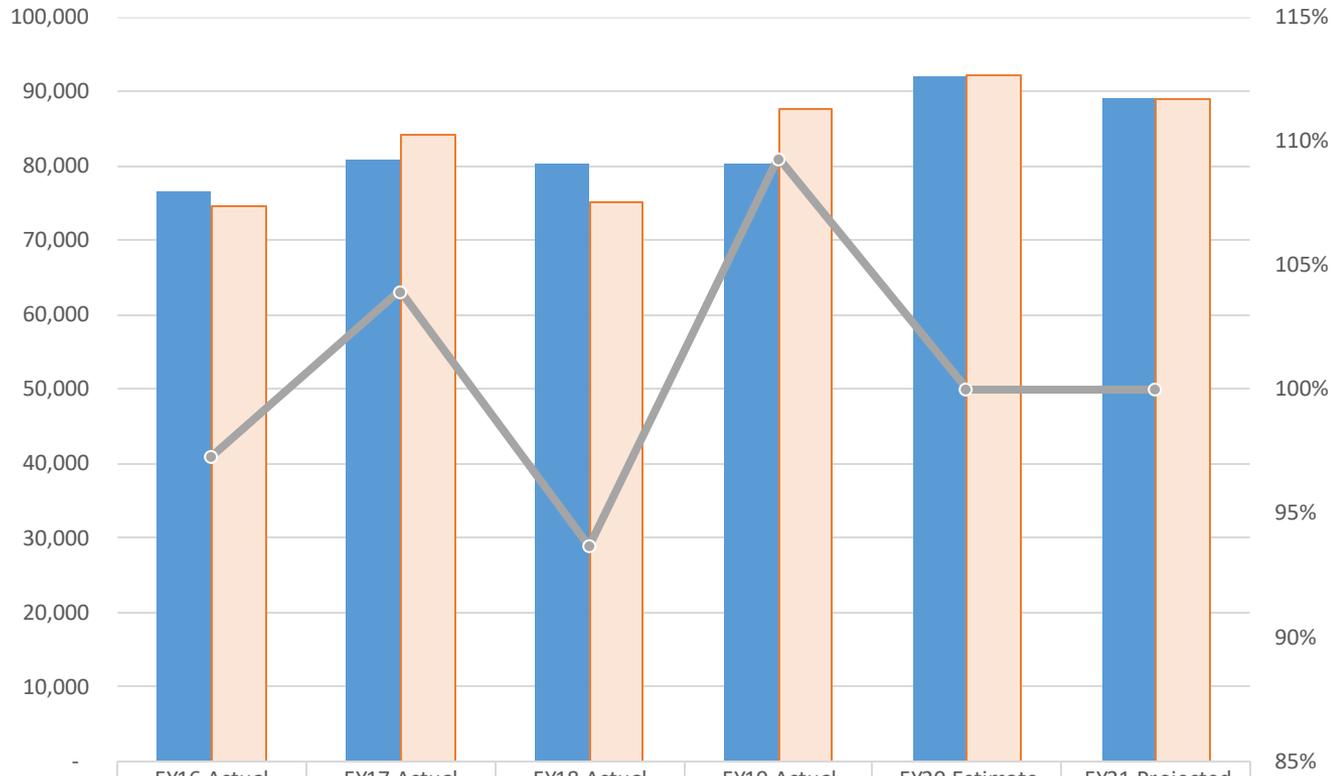
*Restricted accounts include Fleet, Fuel, Utilities, Shared Services

FY2021 Budget Expenditures Net Change (in thousands)



FY2021 General Fund Budget Expenditures Net Change to FY2020 Current Budget		
FY2020 Current Budget		
Operating Budget	\$	41,895
Restricted Budget	\$	43,062
FY2020 Current Budget	\$	84,957
Explanation of FY2021 Incremental Increase/(Decrease)		
Operating Budget Adjustments		
Budget reduction initiatives		-
City Council Surplus Adjustment		40
Subtotal Operating Budget Adjustments	\$	40
% Change from FY20 Operating Budget		0.1%
Contractual or Mandated Adjustments:		
Municipal Pension	\$	175
Health Benefits		(6)
Restricted Accounts		494
Ref use Disposal Contract		1,711
Interfund Vehicle		1,605
Subtotal Contractual/Mandated Increases	\$	3,979
FY2021 Proposed Budget		
Operating and Contractual Adjustments	\$	4,019
FY2021 Proposed Budget	\$	88,976
% Change from FY20 Current Budget		4.7%
Notes: Restricted Budget includes service chargeback accounts for items such as fuel, electricity, IT accounts, etc.		

Budget History (\$Thousands)



	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Estimate	FY21 Projected
Adopted Budget	76,658	80,913	80,161	80,257	92,048	88,976
Actual/Estimate	74,564	84,111	75,096	87,714	92,048	88,976
Percent Budget Spent	97%	104%	94%	109%	100%	100%



Program Details

Program 1 (in thousands)



Program Name:	Residential Collections
Program Description:	This program provides residential garbage collection services to the citizens of Houston.
Program Deliverables:	This program provides collections to approximately 390,000 homes.
Plan Houston:	Nurture Safe & Healthy Neighborhoods
Staffing / FTE Count:	105.41 FTEs
Significant Changes:	Increase in this program is primarily due to contractual obligations including HOPE pay raise, pension cost, and health benefits

FY2019 Actual	FY2020 Current Budget	FY2020 Estimate	FY2021 Projected Budget*
\$7,896	\$8,518	\$8,518	\$9,775

* FY2021 projected budget represents funding to continue the level of services currently provided

** Items that are not included in the FY2021 Projected Budget may include initiatives enhancements to expand program or/and reduction initiatives as part of efficiencies.

Program 2 (in thousands)



Program Name:	Heavy Trash Collections
Program Description:	This program provides bulk waste collection services to the citizens of Houston.
Program Deliverables:	This program provides services to approximately 390,000 homes.
Plan Houston:	Nurture safe and healthy neighborhoods
Staffing / FTE Count:	101.71 FTEs
Significant Changes:	Increase in this program is primarily due to contractual obligations including HOPE pay raise, pension cost, and health benefits

FY2019 Actual	FY2020 Current Budget	FY2020 Estimate	FY2021 Projected Budget
\$6,701	\$7,895	\$7,895	\$8,715

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Program 3 (in thousands)



Program Name:	Yard Waste Collections
Program Description:	This program provides collection of grass clippings, leaves & small branches to the citizens of Houston.
Program Deliverables:	This program provides collection services to approximately 390,000 homes.
Plan Houston:	Nurture safe and healthy neighborhoods
Staffing / FTE Count:	73.08 FTEs
Significant Changes:	Increase in this program is primarily due to contractual obligations including HOPE pay raise, pension cost, and health benefits

FY2019 Actual	FY2020 Current Budget	FY2020 Estimate	FY2021 Projected Budget
\$4,649	\$4,669	\$5,030	\$5,593

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Program 4 (in thousands)



Program Name:	Curbside Recycling
Program Description:	This program curbside single-stream collection services to the citizens of Houston.
Program Deliverables:	This program provides collection services to approximately 390,000 homes.
Plan Houston:	Nurture safe and healthy neighborhoods
Staffing / FTE Count:	47.5 FTEs
Significant Changes:	No significant changes

FY2019 Actual	FY2020 Current Budget	FY2020 Estimate	FY2021 Projected Budget
\$3,875	\$3,845	\$3,845	\$3,822

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Program 5 (in thousands)



Program Name:	Environmental Services/Depositories
Program Description:	This program provides drop-off sites for junk, tree & recycling materials.
Program Deliverables:	City of Houston residents may use the facilities up to four (4) times per month. Contractors are prohibited.
Plan Houston:	Nurture safe and healthy neighborhoods
Staffing / FTE Count:	39.4 FTEs
Significant Changes:	Increase in this program is primarily due to contractual obligations including HOPE pay raise, pension cost, and health benefits

FY2019 Actual	FY2020 Current Budget	FY2020 Estimate	FY2021 Projected Budget
\$1989	\$2,713	\$2,713	\$3,168

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Program 6 (in thousands)



Program Name:	Facility Maintenance
Program Description:	This program provides grounds and maintenance services to the department facilities.
Program Deliverables:	Manages 4 department facilities & 6 Neighborhood Depositories.
Plan Houston:	Protect and conserve our resources
Staffing / FTE Count:	18.4 FTEs
Significant Changes:	N significant increase

FY2019 Actual	FY2020 Current Budget	FY2020 Estimate	FY2021 Projected Budget
\$1,976	\$1,842	\$1,852	\$1,883

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Program 7 (in thousands)



Program Name:	Refuse Disposal
Program Description:	Disposal costs for garbage collection and transfer station management
Program Deliverables:	Dispose approximately 720,000 tons per year
Plan Houston:	Nurture safe and healthy neighborhoods
Staffing / FTE Count:	0 FTEs
Significant Changes:	Increase in this program is primarily due to contractual obligations

FY2019 Actual	FY2020 Current Budget	FY2020 Estimate	FY2021 Projected Budget
\$15,439	\$12,600	\$13,978	\$14,311

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Program 8 (in thousands)



Program Name:	Sponsorships
Program Description:	This program provides reimbursements of garbage collections to homeowners associations.
Program Deliverables:	Approximately 49,000 sponsorship units reimbursed per year.
Plan Houston:	Sound Financial Management
Staffing / FTE Count:	0 FTEs
Significant Changes:	No changes

FY2019 Actual	FY2020 Current Budget	FY2020 Estimate	FY2021 Projected Budget
\$3,527	\$3,527	\$3,527	\$3,527

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Program 9 (in thousands)



Program Name:	Office of Director/Executive
Program Description:	This program provides Executive Management & oversight of department operations.
Program Deliverables:	Department oversight of approximately 425 employees.
Plan Houston:	Sound Financial Management
Staffing / FTE Count:	19.1 FTEs
Significant Changes:	Decrease in this program is primarily due to reduction in supplies and services needed.

FY2019 Actual	FY2020 Current Budget	FY2020 Estimate	FY2021 Projected Budget
\$2,489	\$2,762	\$2,756	\$2,689

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Program 10 (in thousands)



Program Name:	Department Administrative Support
Program Description:	This program provides administrative support functions to department operations.
Program Deliverables:	Administrative support of budgeting, accounting, procurement, revenue collections.
Plan Houston:	Sound Financial Management
Staffing / FTE Count:	28.2 FTEs
Significant Changes:	Increase in this program is primarily due to contractual obligations including HOPE pay raise, pension cost, and health benefits

FY2019 Actual	FY2020 Current Budget	FY2020 Estimate	FY2021 Projected Budget
\$35,675	\$31,190	\$38,237	\$35,493

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Appendix



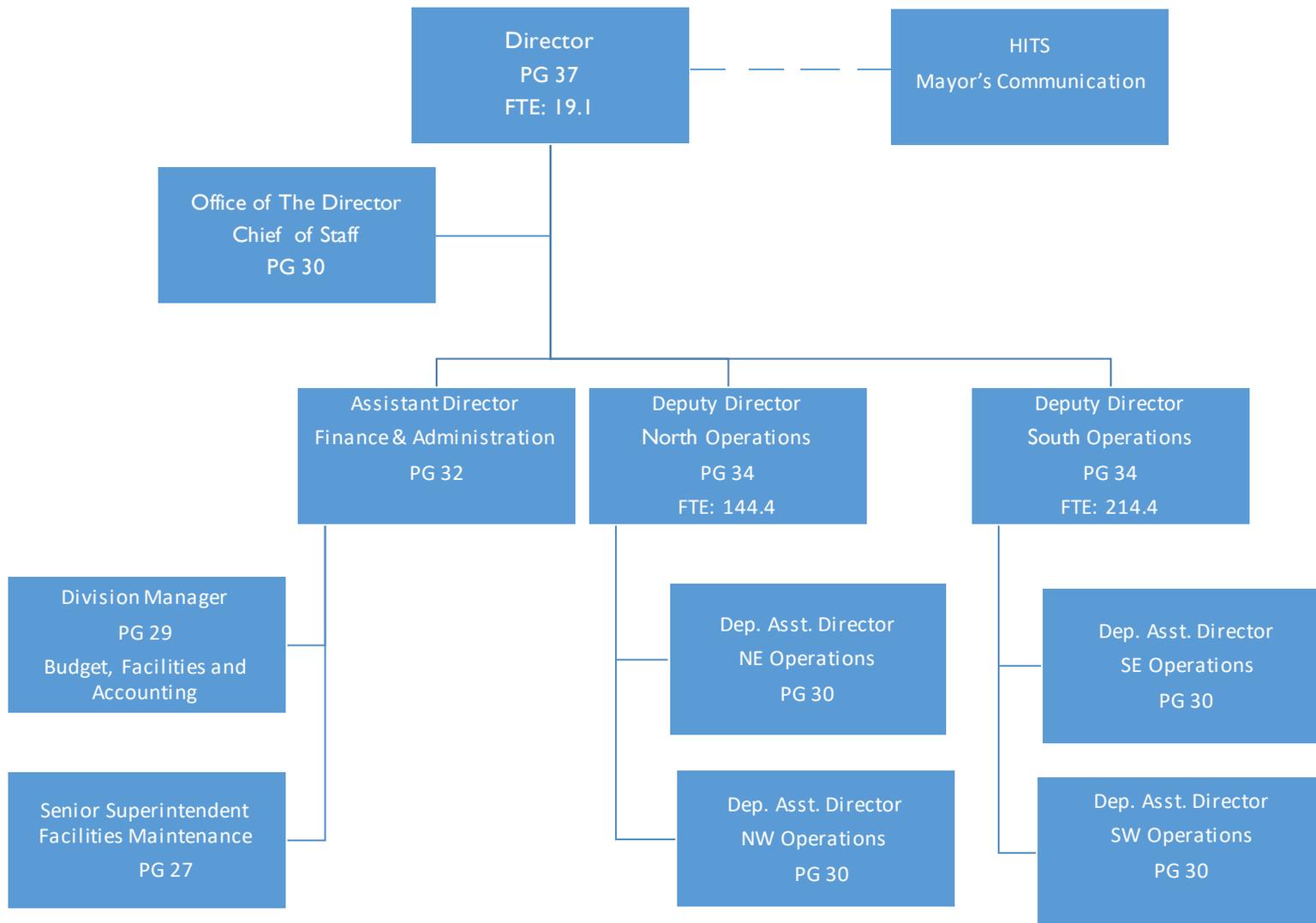
Department FY2020 Accomplishments

- Tropical Storm Imelda Response
- Hurricane Harvey ongoing waterways debris and silt removal projects
- Council approved new 10-year refuse disposal and transfer station management contracts
- Pending new City facilities recycling services contract
- COVID19 response and cleaning





Department Org Chart

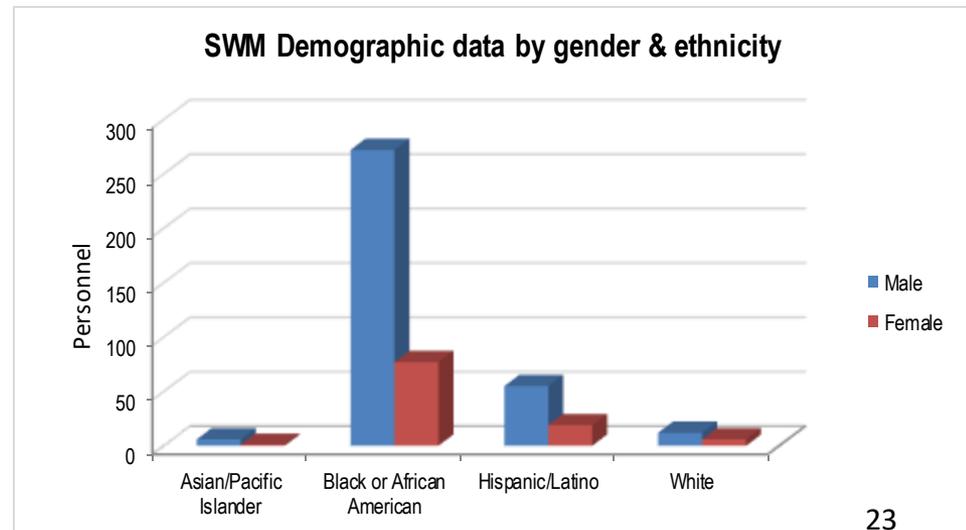
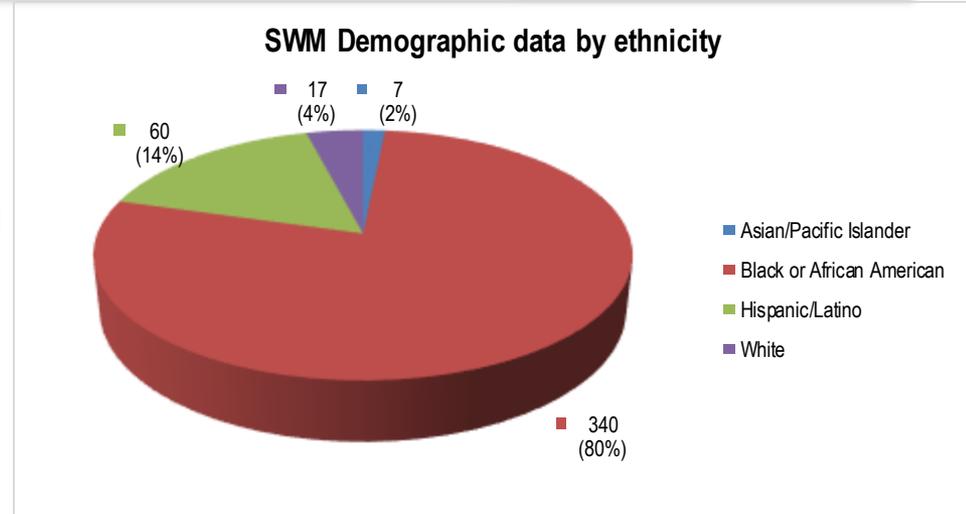




Demographic Data

- The department is comprised of:
 - 80% African American
 - 14% Hispanic/Latino
 - 4% White
 - 2% Asian/Pacific Islander

- 71% of the department is male; 29% female





Restricted Account Details

GL Description	Justification & Cost Drivers
Fuel	Fuel Program operates and manages all City owned fuel sites. Expense explanation - Fuel services are driven primarily by market pricing
Application Services	Costs include Microsoft Enterprise licenses, 3-1-1 maintenance support and applications, SAP licenses maintenance and support, various Enterprise Application and Server support personnel, CSMART (MCD Only), eSignature, Project Management, Infor, eDiscovery, Cyber Security Office software and support, HITS Budget support via the Finance Department, eSignature
Insurance Fees	Cost increase for property insurance premium.
Electricity	Responsible for administering the electricity accounts for the City. Program is responsible for overseeing procurement contracts, forecasting, providing price certainty, and financial reporting. Electricity expenses are projected to be lower than the previous year as a function of the competitive bidding process.
Natural Gas	Responsible for administering the natural gas accounts for the City. Program is responsible for overseeing procurement contracts, forecasting, providing price certainty, and financial reporting. Natural gas expenses are projected to be lower than the previous year due to current market conditions and locking in a rate favorable to the City.
Data Services	Costs associated with software and maintenance support contracts required to maintain city networks, applications, desktop devices, servers, payment card industry security, storage devices, cloud services, telephone systems and network equipment including Phonoscope circuits. Contracts cover Antivirus, Firewall and Network backup systems. Also, the Data Center costs are included in the Data Services restricted account.
Voice Services	Monthly costs for Voice/Communication Services. The services include: Local landlines, voice/data circuits, long distance, 1-800 numbers, calling cards, language lines, Citywide ISP/Internet Access. The major vendors are ATT, Department of Information Resources (DIR), Verizon and Century Link.
Voice Labor	Labor costs and parts needed to perform work associated with installation and/or upgrades of telephone systems and cabling. The sole vendor is Selrico.
GIS Revolving Fund Services	Personnel, software licenses and maintenance costs associated with the city of Houston's Enterprise Geographic Information System (EGIS)
Voice Services - Wireless	Monthly charges for Verizon Business services and mobile devices including cell phones, air cards and tablets.
Interfund HR Client Services	Include HR operation cost reflecting health benefits and restricted accounts increase.
KRONOS Service Chargeback	Software license and maintenance costs associated with the city of Houston's Time and Attendance System (KRONOS)
Drainage Fee Service Chargeback	Fee is based on impervious service.
Interfund Permit Center Rent Chargeback	The cost include the HPC Point of Sale cost increase for credit card merchant fee, and lease cost increase.
Interfund Vehicle Services	Provides repair, maintenance, and administrative support for all city departments' rolling stock equipment. Expense explanation - Vehicle Services are projected to increase driven by part cost, contractual increases, and an aging vehicle population.
Interfund Radio System Access	Due to the consolidation of the radio group in General Fund to revolving fund for HITS. This group is responsible for the operation and maintenance of the City's public safety radio system.